



Kent W. Blake
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May 17, 2004

VIA HAND DELIVERY

Ms. Elizabeth O'Donnell, Executive Director
Public Service Commission
211 Sower Boulevard
P. O. Box 615
Frankfort, Kentucky 40602

Drop Box
RECEIVED

MAY 17 2004

PUBLIC SERVICE
COMMISSION

**RE: AN ADJUSTMENT OF THE GAS AND ELECTRIC RATES, TERMS, AND
CONDITIONS OF LOUISVILLE GAS AND ELECTRIC COMPANY
– CASE NO. 2003-00433**

Dear Ms. O'Donnell:

Pursuant to the Commission's Order dated May 4, 2004, please find enclosed and accept for filing the original and ten (10) copies of Louisville Gas and Electric Company's updated responses to Question Nos. AG 2-49 and AG 2-50 in the above-referenced matter.

Please confirm receipt of this filing by placing the stamp of your Office with the date received on the enclosed additional copy.

Should you have any questions regarding the enclosed, please contact me at your convenience.

Sincerely,

Kent W. Blake
KW

Kent W. Blake
Director, Regulatory Initiatives

cc: Parties of Record

RECEIVED

LOUISVILLE GAS AND ELECTRIC COMPANY

MAY 17 2004

CASE NO. 2003-00433

**PUBLIC SERVICE
COMMISSION**

**Updated Response to Supplemental Data Request of the Attorney General
Dated March 1, 2004**

Update Filed May 17, 2004

Question No. 49

Responding Witness: William Steven Seelye

- Q-49. With regard to the electric weather normalization information contained on page 428 of 441 of the response to KIUC-1-78, please provide copies of all of the study material, workpapers, assumptions and calculations in support of the estimate that LG&E's electric revenue requirement would be reduced by \$3 million if an electric temperature normalization adjustment is made for the test year in this case.
- A-49. See attached. The referenced revenue adjustment represented a high-level estimate that was never finalized by the Company. The methodology used to develop the estimated revenue adjustment is not fully consistent with guidelines articulated by the Commission in prior rate case orders.

Rough Estimate of the Impact of Temperature Adjustment
LG&E Electric

	Temperature Adjustment MWH	Estimated Marginal Revenue per kWh (\$/kWh)	Estimated Marginal Cost per kWh (\$/kWh)	Margin (\$/kWh)	Increase (Decrease) In Test-Year Revenue
<u>Residential</u>					
Winter (Oct-May)	(71,671)	0.0482	0.0158	0.03243	
Summer (Jun-Sep)	96,868	0.0592	0.0158	0.04340	\$ (2,324,004)
Total	25,197				4,204,071 1,880,067
<u>Small Commercial</u>					
Winter (Oct-May)	(9,467)	0.05734	0.0158	0.04154	(393,259)
Summer (Jun-Sep)	16,733	0.06481	0.0158	0.04901	820,084
Total	7,266				426,825
<u>Large Commercial</u>					
Winter (Oct-May)	(11,076)	0.05234	0.0158	0.03654	(404,717)
Summer (Jun-Sep)	25,291	0.05981	0.0158	0.04401	1,113,057
Total	14,215				708,340
<u>Public Authority</u>					
Winter (Oct-May)	(6,602)	0.05534	0.0158	0.03954	(261,043)
Summer (Jun-Sep)	4,527	0.06281	0.0158	0.04701	212,814
Total	(2,075)				(48,229)
Total Adjustment to Revenues					\$ 2,967,004

Rough Estimate of the Impact of Temperature Adjustment
Kentucky Utilities

	Temperature Adjustment MWH	Estimated Marginal Revenue per kWh (\$/kWh)	Estimated Marginal Cost per kWh (\$/kWh)	Margin (\$/kWh)	Increase (Decrease) In Test-Year Revenue
Residential					
Winter (Oct-May)	(194,998)	0.0366	0.0168	0.01977	\$ (3,854,350)
Summer (Jun-Sep)	71,949	0.0385	0.0168	0.02167	1,559,135
Total	(123,049)				(2,295,215)
Commercial					
Winter (Oct-May)	(26,925)	0.046	0.0168	0.02920	(786,210)
Summer (Jun-Sep)	48,944	0.047	0.0168	0.03020	1,478,109
Total	22,019				691,899
Industrial					
Winter (Oct-May)	-	0.0364	0.0168	0.01960	-
Summer (Jun-Sep)	7,486	0.0373	0.0168	0.02050	153,463
Total	7,486				153,463
Total Adjustment to Revenues					\$ (1,449,853)

Total Weather Adjustment of Electric Sales (July 2002 through June 2003)						
	LG&E		KU		CC	
	Mwh	%	Mwh	%	Mwh	%
20 Year Rolling Normal	86,142	0.75%	101,616	0.52%	187,757	0.60%
30 Year Rolling Normal	59,278	0.51%	(102,094)	(0.52%)	(42,816)	(0.14%)
30 Year NOAA Normal	29,276	0.25%	46,572	0.24%	75,847	0.24%

Total Weather Adjustment of Electric Sales (with LG&E Residential SAE Coefficients) (July 2002 through June 2003)						
	LG&E		KU		CC	
	Mwh	%	Mwh	%	Mwh	%
20 Year Rolling Normal	74,156	0.64%	101,616	0.52%	175,771	0.56%
30 Year Rolling Normal	44,599	0.39%	(102,094)	(0.52%)	(57,495)	(0.18%)
30 Year NOAA Normal	15,175	0.13%	46,572	0.24%	61,747	0.20%

Comparison of Weather Adjustment of LG&E Residential Electric Sales (July 2002 through June 2003)				
	LG&E		LG&E (SAE)	
	Mwh	%	Mwh	%
20 Year Rolling Normal	57,173	1.48%	45,187	1.17%
30 Year Rolling Normal	39,875	1.03%	25,196	0.65%
30 Year NOAA Normal	19,307	0.50%	5,206	0.13%

**Louisville Gas & Electric Company
2002/2003 Temperature Normalized Sales (20 YEAR ROLLING NORMAL)
As-Billed Electric**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,089	314,236	342,550	333,820	285,439	229,878	251,816	284,018	447,364	440,168	418,422	3,871,076
Temperature Adjustment	(21,724)	(7,226)	(10,467)	5,327	(21,490)	(7,918)	8,725	(6,225)	61,321	29,256	33,064	(5,470)	57,173
Temp. Normalized Actual Sales	267,750	226,863	303,769	347,878	312,330	277,521	238,603	245,591	345,340	476,619	473,232	412,952	3,928,249
Small Commercial - MWh													
Actual Sales	103,503	89,057	100,904	104,020	103,319	96,923	90,652	96,977	103,126	126,646	123,790	124,329	1,263,246
Temperature Adjustment	(3,438)	(1,250)	(1,474)	656	(2,830)	(996)	742	(863)	10,643	4,865	5,342	(941)	10,256
Temp. Normalized Actual Sales	100,065	87,807	99,430	104,677	100,488	95,927	91,394	96,115	113,769	131,311	129,132	123,388	1,273,502
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,603	178,048	171,053	166,778	177,760	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(6,275)	(926)	(605)	934	(2,805)	(1,203)	1,444	(1,115)	16,857	6,895	7,155	(1,279)	19,068
Temp. Normalized Actual Sales	173,602	160,131	179,255	179,537	175,243	169,850	168,222	176,666	201,260	221,787	213,161	208,177	2,226,870
Top 25 Industrial - MWh													
Actual Sales	170,089	150,136	159,009	148,621	153,450	154,660	159,884	161,511	141,037	157,654	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,066,782
Public Authority - MWh													
Actual Sales	98,363	84,549	93,224	93,826	92,969	91,953	84,110	96,694	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(3,801)	(536)	(730)	84	(240)	(309)	448	(512)	3,042	1,109	1,210	(121)	(356)
Temp. Normalized Actual Sales	94,562	84,013	92,494	93,910	92,729	91,644	84,558	96,182	103,325	114,015	115,359	114,701	1,177,492
Street Lighting - MWh													
Actual Sales	6,205	6,463	7,083	6,911	5,931	5,965	6,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	906,430	1,157,828	1,141,882	1,140,694	11,540,320
Temperature Adjustment	(35,238)	(9,937)	(13,277)	7,002	(27,365)	(10,426)	11,358	(8,714)	91,863	41,915	46,771	(7,811)	86,142
Temp. Normalized Actual Sales	903,091	797,140	928,915	974,198	926,450	880,381	829,910	866,805	998,293	1,199,743	1,188,653	1,132,883	11,626,461

1.48%

0.75%

Louisville Gas & Electric Company
 2002/2003 Temperature Normalized Sales (30 YEAR ROLLING NORMAL)
 As-Billed Electric

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,089	314,236	342,550	333,820	285,439	229,678	251,816	284,019	447,364	440,168	418,422	3,871,076
Temperature Adjustment	(27,431)	(4,268)	(13,516)	7,651	(17,265)	(5,761)	9,237	(8,735)	57,503	21,094	27,734	(6,346)	39,875
Temp. Normalized Actual Sales	262,043	229,801	300,720	350,201	316,555	279,678	238,915	243,081	341,523	468,458	467,902	412,076	3,910,951
Small Commercial - MWh													
Actual Sales	103,503	89,057	100,904	104,020	103,319	96,923	90,652	98,977	103,126	126,646	123,790	124,329	1,263,246
Temperature Adjustment	(4,341)	(741)	(1,904)	843	(2,274)	(725)	786	(1,211)	9,980	3,364	4,481	(1,092)	7,265
Temp. Normalized Actual Sales	99,162	88,315	99,000	104,963	101,045	96,198	91,438	95,767	113,106	130,009	128,271	123,237	1,270,511
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,603	178,048	171,053	166,778	177,780	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(7,924)	(549)	(761)	1,342	(2,254)	(875)	1,529	(1,564)	15,808	4,964	6,002	(1,483)	14,213
Temp. Normalized Actual Sales	171,953	160,507	179,079	179,945	175,795	170,177	168,306	176,216	200,210	219,846	212,008	207,972	2,222,015
Top 25 Industrial - MWh													
Actual Sales	170,099	150,136	159,009	148,621	153,450	154,660	158,884	161,511	141,037	157,654	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,086,782
Public Authority - MWh													
Actual Sales	98,363	84,549	93,224	93,826	92,969	91,953	84,110	96,684	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(4,800)	(318)	(943)	121	(193)	(225)	474	(718)	2,853	800	1,015	(141)	(2,075)
Temp. Normalized Actual Sales	93,564	84,231	92,281	93,947	92,776	91,728	84,584	95,975	103,136	113,706	115,164	114,681	1,175,773
Street Lighting - MWh													
Actual Sales	6,205	6,463	7,083	6,911	5,931	5,965	5,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	906,430	1,157,828	1,141,882	1,140,694	11,540,320
Temperature Adjustment	(44,496)	(5,897)	(17,144)	10,056	(21,998)	(7,586)	12,025	(12,228)	86,144	30,222	39,232	(9,062)	59,278
Temp. Normalized Actual Sales	893,833	801,180	925,047	977,251	931,830	883,220	830,576	863,291	992,574	1,188,050	1,181,114	1,131,632	11,599,598

1.03%

0.51%

**Louisville Gas & Electric Company
2002/2003 Temperature Normalized Sales (30 YEAR NOAA NORMAL)
As-Billed Electric**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,089	314,236	342,550	333,820	285,439	229,678	251,816	284,019	447,364	440,168	418,422	3,871,076
Temperature Adjustment	(25,934)	(3,551)	(12,842)	7,247	(15,238)	(3,309)	9,753	(12,526)	53,186	15,444	23,819	(16,741)	19,307
Temp. Normalized Actual Sales	263,540	230,538	301,394	349,797	318,582	282,130	239,431	239,290	337,205	462,808	463,988	401,680	3,890,383
Small Commercial - MWh													
Actual Sales	103,603	89,057	100,904	104,020	103,319	96,923	90,652	96,977	103,126	126,646	123,790	124,329	1,263,246
Temperature Adjustment	(4,104)	(614)	(1,809)	883	(2,007)	(416)	829	(1,736)	9,231	2,463	3,849	(2,881)	3,697
Temp. Normalized Actual Sales	99,399	88,443	99,095	104,913	101,312	96,506	91,482	95,242	112,357	129,108	127,638	121,449	1,266,943
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,603	178,048	171,053	166,778	171,780	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(7,452)	(455)	(742)	1,271	(1,989)	(503)	1,614	(2,243)	14,621	3,635	5,154	(3,513)	8,959
Temp. Normalized Actual Sales	172,386	160,602	179,117	179,874	176,059	170,550	168,392	175,538	199,023	218,517	211,161	205,542	2,216,760
Top 25 Industrial - MWh													
Actual Sales	170,099	150,136	159,009	148,621	153,450	154,660	159,884	161,511	141,037	157,654	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,066,782
Public Authority - MWh													
Actual Sales	98,363	84,549	83,224	93,826	92,968	91,953	84,110	96,694	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(4,538)	(263)	(896)	114	(170)	(129)	500	(1,030)	2,639	585	872	(371)	(2,687)
Temp. Normalized Actual Sales	93,826	84,285	92,328	93,940	92,799	91,824	84,610	95,664	102,921	113,492	115,021	114,451	1,175,161
Street Lighting - MWh													
Actual Sales	6,205	6,463	7,083	6,911	5,931	5,965	5,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	906,430	1,157,828	1,141,982	1,140,694	11,540,320
Temperature Adjustment	(42,067)	(4,863)	(16,289)	9,525	(19,465)	(4,357)	12,697	(17,534)	79,677	22,127	33,694	(23,907)	29,276
Temp. Normalized Actual Sales	896,262	802,193	925,902	976,720	934,411	886,450	831,248	857,985	986,107	1,179,955	1,175,576	1,116,787	11,569,595

0.50%

0.25%

WN for Rate Case Filing Through September-03
LG&E

**Louisville Gas & Electric Company
2002/2003 Temperature Normalized Sales (20 YEAR ROLLING NORMAL)
As-Billed Electric (SAE MODEL)**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,089	314,236	342,550	333,820	285,439	229,678	251,816	284,019	447,364	440,166	418,422	3,871,076
Temperature Adjustment (SAE Coefficients)	(35,254)	(9,061)	(14,730)	5,181	(27,087)	(11,454)	24,565	(1,170)	60,313	27,111	32,082	(5,299)	45,187
Temp. Normalized Actual Sales	254,220	225,028	299,506	347,732	306,733	273,975	254,243	250,646	344,332	474,475	472,250	413,123	3,916,263
Small Commercial - MWh													
Actual Sales	103,503	89,057	100,904	104,020	103,319	96,923	90,652	96,977	103,126	126,646	123,790	124,329	1,263,246
Temperature Adjustment	(3,438)	(1,250)	(1,474)	658	(2,830)	(996)	742	(863)	10,643	4,665	5,342	(941)	10,256
Temp. Normalized Actual Sales	100,065	87,807	99,430	104,677	100,488	95,927	91,394	96,115	113,769	131,311	129,132	123,388	1,273,502
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,603	176,048	171,053	166,778	177,780	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(6,275)	(926)	(605)	934	(2,805)	(1,203)	1,444	(1,115)	16,857	6,885	7,155	(1,278)	19,068
Temp. Normalized Actual Sales	173,602	160,131	179,255	179,537	175,243	169,850	168,222	176,666	201,260	221,767	213,161	208,177	2,226,870
Top 25 Industrial - MWh													
Actual Sales	170,089	150,136	159,009	148,621	153,450	154,660	159,884	161,511	141,037	157,654	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,066,782
Public Authority - MWh													
Actual Sales	98,363	84,549	93,224	93,826	92,969	91,953	84,110	96,694	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(3,801)	(536)	(730)	84	(240)	(309)	448	(512)	3,042	1,109	1,210	(121)	(356)
Temp. Normalized Actual Sales	94,562	84,013	92,494	93,910	92,729	91,644	84,558	96,182	103,325	114,015	115,359	114,701	1,177,492
Street Lighting - MWh													
Actual Sales	6,205	6,463	7,063	6,911	5,931	5,965	5,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	906,430	1,157,828	1,141,882	1,140,684	11,540,320
Temperature Adjustment	(48,768)	(11,772)	(17,540)	6,856	(32,562)	(13,972)	27,199	(3,653)	90,855	39,770	45,789	(7,640)	74,156
Temp. Normalized Actual Sales	889,561	795,305	924,652	974,052	920,853	876,834	845,750	871,860	997,285	1,197,598	1,187,671	1,133,053	11,614,475

1.2%

0.64%

WN for Rate Case Filing Through September-03
LG&E SAE

**Louisville Gas & Electric Company
2002/2003 Temperature Normalized Sales (30 YEAR ROLLING NORMAL)
As-Billed Electric (SAE MODEL)**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,069	314,236	342,550	333,820	285,439	229,878	251,816	284,019	447,364	440,168	418,422	3,871,076
Temperature Adjustment (SAE Coefficients)	(33,813)	(6,125)	(15,935)	7,441	(21,762)	(6,342)	11,125	(4,260)	56,558	19,548	26,910	(6,148)	25,196
Temp. Normalized Actual Sales	255,661	227,944	298,301	349,991	312,058	277,097	240,803	247,556	340,577	466,912	467,078	412,274	3,896,272
Small Commercial - MWh													
Actual Sales	103,503	89,057	100,904	104,020	103,319	96,923	90,652	96,977	103,126	126,646	123,790	124,329	1,263,246
Temperature Adjustment	(4,341)	(741)	(1,904)	943	(2,274)	(725)	786	(1,211)	9,980	3,364	4,481	(1,092)	7,265
Temp. Normalized Actual Sales	99,162	88,315	99,000	104,963	101,045	96,198	91,438	95,767	113,106	130,009	128,271	123,237	1,270,511
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,603	178,048	171,053	166,778	177,790	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(7,924)	(548)	(781)	1,342	(2,254)	(875)	1,529	(1,564)	16,808	4,964	6,002	(1,483)	14,213
Temp. Normalized Actual Sales	171,953	160,507	179,079	179,945	175,795	170,177	168,306	176,216	200,210	219,846	212,008	207,972	2,222,015
Top 25 Industrial - MWh													
Actual Sales	170,089	150,136	159,009	148,621	153,450	154,660	159,884	161,511	141,037	157,654	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,066,782
Public Authority - MWh													
Actual Sales	96,363	84,549	93,224	93,826	92,969	91,953	84,110	96,694	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(4,800)	(318)	(943)	121	(193)	(225)	474	(718)	2,853	800	1,015	(141)	(2,075)
Temp. Normalized Actual Sales	93,564	84,231	92,281	93,947	92,776	91,728	84,584	95,975	103,136	113,706	115,164	114,681	1,175,773
Street Lighting - MWh													
Actual Sales	6,205	6,463	7,083	6,911	5,931	5,965	5,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	906,430	1,157,828	1,141,882	1,140,694	11,540,320
Temperature Adjustment	(50,878)	(7,734)	(19,563)	9,846	(26,483)	(10,167)	13,913	(7,753)	85,199	28,676	38,408	(8,864)	44,599
Temp. Normalized Actual Sales	887,452	799,342	922,628	977,042	927,333	880,640	832,485	867,766	991,629	1,186,504	1,180,290	1,131,829	11,584,919

0.7%

0.39%

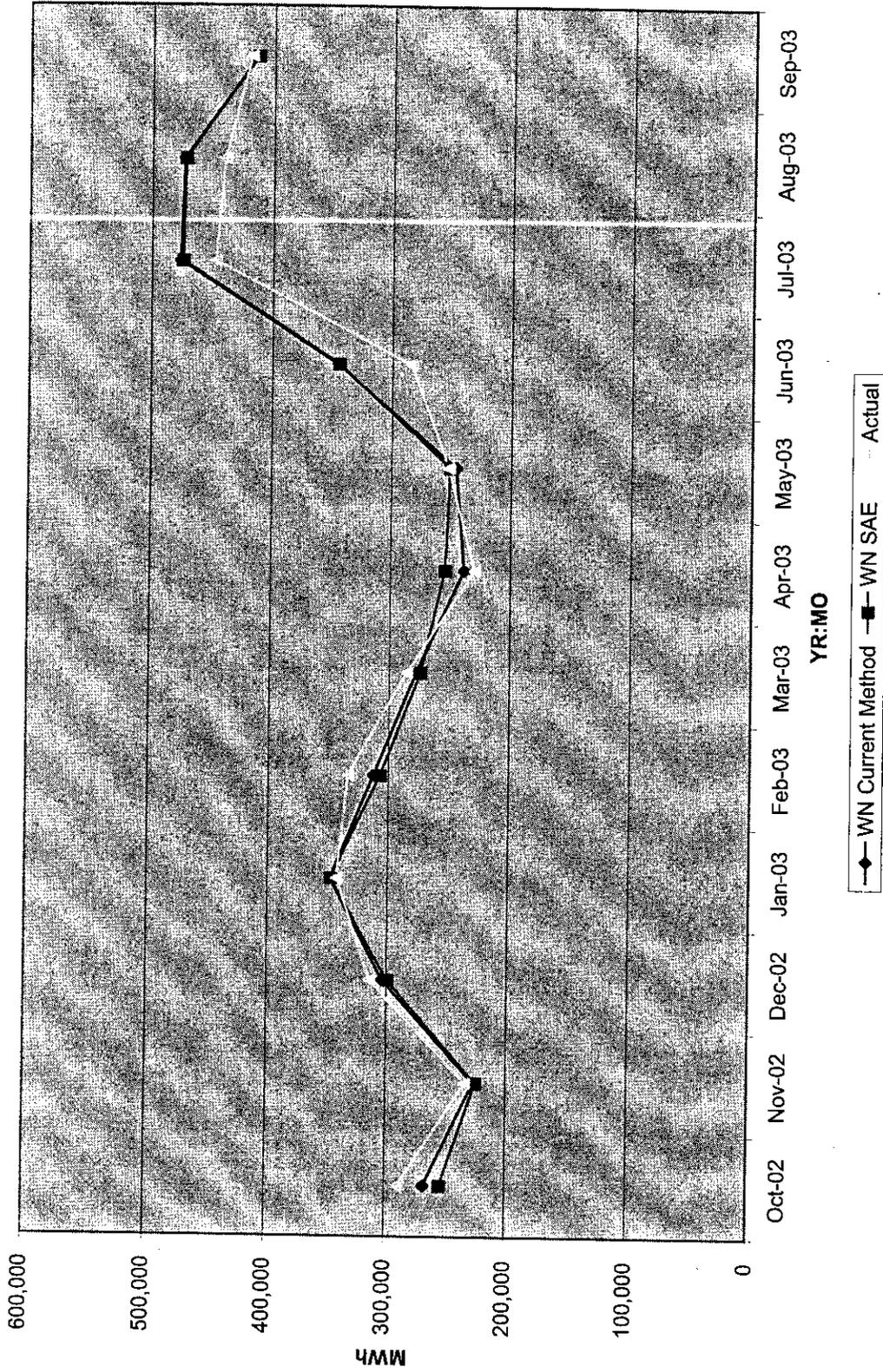
**Louisville Gas & Electric Company
2002/2003 Temperature Normalized Sales (30 YEAR NOAA NORMAL)
As-Billed Electric (SAE MODEL)**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	12 Month Total
Residential - MWh													
Actual Sales	289,474	234,088	314,088	342,550	333,820	285,439	229,678	251,816	284,019	447,364	440,168	418,422	3,871,076
Temperature Adjustment (SAE Coefficientis)	(31,745)	(5,073)	(15,141)	7,048	(19,207)	(4,791)	7,909	(7,310)	52,312	14,312	23,112	(16,220)	5,206
Temp. Normalized Actual Sales	257,729	229,017	299,095	349,599	314,613	280,648	237,587	244,506	336,331	461,676	463,280	402,202	3,876,283
Small Commercial - MWh													
Actual Sales	103,503	89,057	100,904	104,020	103,319	96,923	80,652	96,977	103,126	126,846	123,790	124,329	1,263,246
Temperature Adjustment	(4,104)	(614)	(1,809)	893	(2,007)	(416)	829	(1,736)	9,231	2,463	3,849	(2,881)	3,697
Temp. Normalized Actual Sales	99,399	88,443	99,095	104,913	101,312	96,506	81,482	95,242	112,357	129,108	127,638	121,449	1,266,943
Large Commercial - MWh													
Actual Sales	179,878	161,057	179,859	178,803	178,048	171,053	166,778	177,760	184,402	214,882	206,007	209,455	2,207,802
Temperature Adjustment	(7,492)	(455)	(742)	1,271	(1,989)	(503)	1,614	(2,243)	14,621	3,635	5,154	(3,913)	8,959
Temp. Normalized Actual Sales	172,386	160,602	179,117	179,874	176,059	170,550	168,392	175,538	199,023	218,517	211,161	205,542	2,216,760
Top 25 Industrial - MWh													
Actual Sales	170,099	150,136	159,009	148,621	153,450	154,660	159,884	161,511	141,037	157,664	159,995	168,223	1,884,279
All Other Industrial - MWh													
Actual Sales	90,808	81,726	87,876	92,663	86,278	84,815	82,131	85,721	88,887	93,475	92,560	99,842	1,066,782
Public Authority - MWh													
Actual Sales	98,363	84,549	93,224	93,826	92,969	81,953	84,110	96,694	100,283	112,906	114,150	114,822	1,177,848
Temperature Adjustment	(4,538)	(263)	(886)	114	(170)	(129)	500	(1,036)	2,639	585	872	(371)	(2,687)
Temp. Normalized Actual Sales	93,826	84,285	92,328	93,940	92,799	81,824	84,610	95,664	102,921	113,482	115,021	114,451	1,175,161
Street Lighter - MWh													
Actual Sales	6,205	6,463	7,083	6,911	5,931	5,965	5,319	5,019	4,675	4,902	5,214	5,600	69,287
Total Ultimate Customers - MWh													
Actual Sales	938,330	807,076	942,192	967,196	953,816	890,807	818,551	875,519	908,430	1,157,828	1,141,882	1,140,694	11,540,320
Temperature Adjustment	(47,878)	(6,406)	(18,588)	9,326	(23,374)	(5,839)	10,853	(12,318)	78,802	20,995	32,986	(23,365)	15,175
Temp. Normalized Actual Sales	890,451	800,671	923,604	976,522	930,442	884,968	829,405	863,201	985,232	1,178,823	1,174,869	1,117,309	11,555,495

0.1%

0.13%

LGE Residential Sales: Alternative Weather Adjustments



**Kentucky Utilities Company
2002/2003 Temperature Normalized Sales (20 YEAR ROLLING NORMAL)
As-Billed Electric**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	YTD
Residential - MWh													
Actual Sales (Jul '02-Jun '03)	373,300	369,045	568,309	662,301	676,995	524,379	358,756	335,102	343,784	499,313	498,616	491,613	5,701,512
Weather Adjustment	(2,620)	(28,638)	(46,441)	17,833	(95,535)	(23,347)	41,282	18,973	48,698	35,245	47,781	9,046	22,018
Weather-Normalized Sales (Jul '02-Jun '03)	370,680	340,207	521,868	680,134	581,461	501,032	400,038	354,075	392,422	534,558	546,397	500,659	5,723,530
Commercial - MWh													
Actual Sales (Jul '02-Jun '03)	453,072	394,582	450,546	484,756	474,871	433,009	400,614	429,591	431,739	509,317	503,404	525,365	5,490,877
Weather Adjustment	6,378	0	(6,082)	4,186	(16,545)	(3,159)	6,538	831	46,793	13,625	14,909	3,573	69,046
Weather-Normalized Sales (Jul '02-Jun '03)	459,450	394,592	442,465	488,941	458,325	429,850	407,152	430,422	478,533	522,942	518,314	528,938	5,559,923
Industrial - MWh													
Actual Sales (Jul '02-Jun '03)	445,389	413,069	423,463	420,993	425,785	420,529	405,029	429,333	427,713	444,069	435,004	452,155	5,142,550
Weather Adjustment	0	0	0	0	0	0	0	0	7,734	966	2,636	989	12,335
Weather-Normalized Sales (Jul '02-Jun '03)	445,389	413,069	423,463	420,993	425,785	420,529	405,029	429,333	435,446	445,036	437,640	453,155	5,154,885
Mine Power - MWh													
Actual Sales (Jul '02-Jun '03)	36,329	38,586	40,859	41,013	42,859	38,231	35,214	37,348	30,314	30,028	31,339	31,977	434,098
Old Dominion Power - MWh													
Actual Sales (Jul '02-Jun '03)	58,783	68,538	96,067	109,588	111,842	83,746	68,314	61,322	57,896	63,000	63,916	64,950	909,054
Weather Adjustment	3,914	(283)	(3,710)	950	(6,947)	1,553	2,700	2,806	601	2,211	872	(756)	1,931
Weather-Normalized Sales (Jul '02-Jun '03)	62,697	69,275	92,357	110,539	102,895	86,299	71,015	64,128	58,587	65,211	64,788	64,194	910,985
Total Ultimate Consumer - MWh													
Actual Sales (Jul '02-Jun '03)	1,366,873	1,284,829	1,579,265	1,718,653	1,732,352	1,499,883	1,267,928	1,292,686	1,291,555	1,545,727	1,532,278	1,586,060	17,676,090
Weather Adjustment	7,672	(29,100)	(58,233)	22,968	(121,027)	(24,953)	50,520	22,610	103,767	52,047	66,198	12,863	105,332
Weather-Normalized Sales (Jul '02-Jun '03)	1,374,545	1,255,729	1,521,032	1,741,621	1,611,325	1,474,941	1,318,448	1,315,306	1,395,302	1,597,774	1,598,476	1,578,923	17,783,422
Wholesale - MWh													
Actual Sales (Jul '02-Jun '03)	147,850	130,741	164,946	167,032	151,803	148,110	134,383	143,256	162,962	189,512	184,547	169,052	1,894,194
Weather Adjustment	(2,293)	(2,771)	(4,547)	37	(199)	(48)	87	71	1,955	1,527	2,075	391	(3,716)
Weather-Normalized Sales (Jul '02-Jun '03)	145,557	127,970	160,399	167,069	151,604	148,061	134,470	143,327	164,917	191,039	186,621	169,443	1,890,478
Total Company													
Actual Sales (Jul '02-Jun '03)	1,514,723	1,415,570	1,744,211	1,885,684	1,884,154	1,648,003	1,402,311	1,435,953	1,454,497	1,735,240	1,716,825	1,735,112	19,572,284
Weather Adjustment	5,379	(31,871)	(62,786)	23,005	(121,226)	(25,001)	50,607	22,681	105,722	53,574	68,273	13,254	101,616
Weather-Normalized Sales (Jul '02-Jun '03)	1,520,102	1,383,699	1,681,431	1,908,690	1,762,928	1,623,002	1,452,918	1,458,633	1,560,219	1,788,814	1,785,087	1,748,366	19,673,900

0.39%

0.52%

**Kentucky Utilities Company
2002/2003 Temperature Normalized Sales (30 YEAR ROLLING NORMAL)
As-Billed Electric**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	YTD
Residential - MWh													
Actual Sales (Jul '02-Jun '03)	373,300	369,045	568,045	662,301	676,995	524,379	358,756	335,102	343,784	499,313	498,616	491,613	5,701,512
Weather Adjustment	(15,056)	(32,426)	(70,399)	(15,463)	(78,250)	(38,726)	39,383	15,969	11,252	11,252	26,820	(6,389)	(123,040)
Weather-Normalized Sales (Jul '02-Jun '03)	358,243	336,619	497,646	646,818	598,746	485,653	398,139	351,061	384,059	510,565	525,436	485,223	5,578,472
Commercial - MWh													
Actual Sales (Jul '02-Jun '03)	453,072	394,592	450,546	484,756	474,871	433,009	400,614	429,591	431,738	509,317	503,404	525,365	5,490,877
Weather Adjustment	3,256	0	(12,251)	(3,634)	(13,552)	(5,239)	6,237	(1,736)	38,748	4,350	8,369	(2,523)	22,021
Weather-Normalized Sales (Jul '02-Jun '03)	456,328	394,592	438,295	481,121	461,319	427,770	406,851	427,853	470,487	513,667	511,773	522,841	5,512,898
Industrial - MWh													
Actual Sales (Jul '02-Jun '03)	445,389	413,069	423,483	420,993	425,785	420,529	405,029	429,333	427,713	444,069	435,004	452,155	5,142,550
Weather Adjustment	0	0	0	0	0	0	0	0	6,404	308	1,480	(703)	7,486
Weather-Normalized Sales (Jul '02-Jun '03)	445,389	413,069	423,483	420,993	425,785	420,529	405,029	429,333	434,117	444,378	436,483	451,450	5,150,037
Mine Power - MWh													
Actual Sales (Jul '02-Jun '03)	36,329	38,586	40,859	41,013	42,859	38,231	35,214	37,348	30,314	30,028	31,339	31,977	434,098
Old Dominion Power - MWh													
Actual Sales (Jul '02-Jun '03)	58,783	69,538	96,067	109,589	111,842	83,746	68,314	61,322	57,986	63,000	63,916	64,950	909,054
Weather Adjustment	3,055	(103)	(4,964)	(837)	(5,785)	1,332	3,176	2,879	526	656	1,676	(260)	1,352
Weather-Normalized Sales (Jul '02-Jun '03)	61,838	69,435	91,103	108,753	106,057	85,078	71,491	64,201	58,511	63,656	65,592	64,691	910,405
Total Ultimate Consumer - MWh													
Actual Sales (Jul '02-Jun '03)	1,366,873	1,284,829	1,579,265	1,718,653	1,732,352	1,499,893	1,267,928	1,292,696	1,291,535	1,545,727	1,532,278	1,566,060	17,678,090
Weather Adjustment	(8,745)	(32,528)	(87,815)	(19,954)	(97,587)	(42,633)	48,796	17,099	85,952	16,566	38,345	(9,878)	(92,181)
Weather-Normalized Sales (Jul '02-Jun '03)	1,358,128	1,252,301	1,491,450	1,698,699	1,634,765	1,457,260	1,316,724	1,309,795	1,377,488	1,562,294	1,570,623	1,556,182	17,585,909
Wholesale - MWh													
Actual Sales (Jul '02-Jun '03)	147,850	130,741	164,946	167,032	151,803	148,110	134,383	143,256	162,962	189,512	184,547	169,052	1,894,194
Weather Adjustment	(2,575)	(3,154)	(6,356)	(32)	(163)	(80)	83	(31)	1,619	488	1,165	(276)	(9,913)
Weather-Normalized Sales (Jul '02-Jun '03)	145,275	127,587	157,990	167,000	151,640	148,029	134,466	143,226	164,581	190,000	185,711	168,776	1,884,281
Total Company													
Actual Sales (Jul '02-Jun '03)	1,514,723	1,415,570	1,744,211	1,885,684	1,884,154	1,648,003	1,402,311	1,435,953	1,454,497	1,735,240	1,716,825	1,735,112	19,572,284
Weather Adjustment	(11,320)	(35,682)	(94,570)	(19,986)	(97,750)	(42,713)	48,879	17,068	87,571	17,054	39,509	(10,154)	(102,094)
Weather-Normalized Sales (Jul '02-Jun '03)	1,503,403	1,379,888	1,649,641	1,865,698	1,786,405	1,605,290	1,451,190	1,453,021	1,542,069	1,752,294	1,756,334	1,724,958	19,470,189

-2.16%

-0.52%

**Kentucky Utilities Company
2002/2003 Temperature Normalized Sales (30 YEAR NOAA NORMAL)
As-Billed Electric**

	Oct-02	Nov-02	Dec-02	Jan-03	Feb-03	Mar-03	Apr-03	May-03	Jun-03	Jul-03	Aug-03	Sep-03	YTD
Residential - MWh													
Actual Sales (Jul '02-Jun '03)	373,300	369,045	568,309	662,301	676,895	524,379	358,756	335,102	343,784	499,313	498,616	491,613	5,701,512
Weather Adjustment	(6,508)	(22,569)	(56,044)	1,324	(58,581)	(20,400)	49,411	22,086	40,640	15,140	38,610	(6,004)	(2,894)
Weather-Normalized Sales (Jul '02-Jun '03)	366,792	346,476	512,265	663,624	618,414	503,979	408,167	357,188	384,424	514,453	537,225	485,609	5,698,617
Commercial - MWh													
Actual Sales (Jul '02-Jun '03)	453,072	394,592	450,546	484,756	474,871	433,009	400,614	429,591	431,739	509,317	503,404	525,365	5,490,877
Weather Adjustment	3,699	0	(9,753)	311	(10,146)	(2,760)	7,825	(4,019)	38,099	5,853	12,047	(2,371)	39,786
Weather-Normalized Sales (Jul '02-Jun '03)	456,771	394,592	440,793	485,066	464,725	430,249	408,440	425,573	470,838	515,170	515,452	522,994	5,530,662
Industrial - MWh													
Actual Sales (Jul '02-Jun '03)	445,389	413,068	423,483	420,993	425,785	420,529	405,029	429,333	427,713	444,069	435,004	452,155	5,142,550
Weather Adjustment	0	0	0	0	0	0	0	0	6,462	415	2,130	(663)	8,344
Weather-Normalized Sales (Jul '02-Jun '03)	445,389	413,068	423,483	420,993	425,785	420,529	405,029	429,333	434,175	444,484	437,134	451,492	5,150,894
Mine Power - MWh													
Actual Sales (Jul '02-Jun '03)	36,329	38,586	40,859	41,013	42,859	38,231	35,214	37,348	30,314	30,028	31,339	31,977	434,098
Old Dominion Power - MWh													
Actual Sales (Jul '02-Jun '03)	56,783	69,538	96,067	109,589	111,842	83,746	66,314	61,322	57,996	63,000	63,916	64,950	909,054
Weather Adjustment	3,493	1,229	(3,413)	597	(4,948)	2,355	3,564	3,481	461	1,597	539	(1,571)	7,394
Weather-Normalized Sales (Jul '02-Jun '03)	62,276	70,766	92,654	110,187	106,894	86,101	71,878	64,813	58,447	64,597	64,455	63,379	916,447
Total Ultimate Consumer - MWh													
Actual Sales (Jul '02-Jun '03)	1,366,873	1,284,829	1,579,265	1,718,653	1,732,352	1,499,893	1,267,928	1,292,896	1,291,535	1,545,727	1,532,278	1,566,060	17,678,090
Weather Adjustment	684	(21,340)	(69,210)	2,232	(73,675)	(20,805)	60,800	21,559	86,661	23,005	53,326	(10,609)	52,629
Weather-Normalized Sales (Jul '02-Jun '03)	1,367,557	1,263,489	1,510,055	1,720,884	1,658,677	1,479,089	1,328,728	1,314,255	1,378,197	1,568,733	1,585,604	1,555,451	17,730,719
Wholesale - MWh													
Actual Sales (Jul '02-Jun '03)	147,850	130,741	164,946	167,032	151,803	148,110	134,383	143,256	162,962	189,512	184,547	169,052	1,894,194
Weather Adjustment	(1,841)	(2,325)	(5,439)	3	(122)	(42)	104	(102)	1,634	656	1,676	(260)	(6,057)
Weather-Normalized Sales (Jul '02-Jun '03)	146,010	128,416	159,507	167,034	151,681	148,067	134,487	143,154	164,596	190,168	186,223	168,792	1,888,137
Total Company													
Actual Sales (Jul '02-Jun '03)	1,514,723	1,415,570	1,744,211	1,885,684	1,884,154	1,648,003	1,402,311	1,435,953	1,454,497	1,735,240	1,716,825	1,735,112	19,572,294
Weather Adjustment	(1,156)	(23,665)	(74,849)	2,235	(73,797)	(20,847)	60,904	21,457	86,295	23,661	55,002	(10,669)	46,572
Weather-Normalized Sales (Jul '02-Jun '03)	1,513,567	1,391,905	1,669,362	1,887,919	1,810,356	1,627,156	1,463,215	1,457,498	1,542,793	1,758,901	1,771,827	1,724,243	19,618,856

-0.05%

0.24%

WN for Rate Case Filing Through September-03
KU

LOUISVILLE GAS AND ELECTRIC COMPANY

CASE NO. 2003-00433

**Updated Response to Supplemental Data Request of the Attorney General
Dated March 1, 2004**

Update Filed May 17, 2004

Question No. 50

Responding Witness: William Steven Seelye

- Q-50. As described on pages 72-73 of the PSC's Order in Case No. 98-426, LG&E in that case had proposed an electric temperature normalization adjustment with the effect of increasing the electric revenue requirement in that case by almost \$5 million. As shown on page 428 of the response to KIUC-1-78, for the current case the Company has estimated that an electric temperature normalization adjustment would have the effect of decreasing the electric revenue requirement by \$3 million. While the Company continues to believe that the reflection of an electric temperature normalization adjustment would be appropriate and reflective of "sound ratemaking", it has not included such an adjustment for ratemaking purposes in the current electric rate case. Please comment on these internally inconsistent positions.
- A-50. The referenced revenue adjustment represented a high-level estimate that was never finalized. The Company has yet to develop a temperature normalization methodology that meets all of the guidelines established by the Commission in its Order in Case No. 10064 and in other proceedings.